



## Colorado Medicaid Benefit Coverage Standard

### AMBULATORY SURGERY CENTERS

#### **Brief Coverage Statement**

Ambulatory Surgery Centers (ASCs) are facilities that operate exclusively for the purpose of furnishing outpatient surgical services that do not require hospitalization. An ASC may be independent or part of a hospital, but only if the building space used by the ASC is physically, administratively and financially independent and distinct from other operations of the hospital.

#### **Services Addressed in Other Policies**

- None

#### **Eligible Providers**

Colorado Medical Assistance Program (Colorado Medicaid) enrolled ASC providers must be certified by the Centers for Medicare and Medicaid Services (CMS) to participate in the Medicare program as an ASC. The facility must also be licensed by the Colorado Department of Public Health and Environment.

#### **Eligible Places of Services**

- Ambulatory Surgery Centers

#### **Eligible Clients**

Any client enrolled in Colorado Medicaid for whom a covered ASC service is medically necessary as defined in 10 CCR 2505-10 Section 8.076.1.8.

#### **Covered Services and Limitations**

ASC procedures include those that are commonly performed on an inpatient basis in hospitals but may be safely performed in an ASC. ASC procedures are limited to those requiring a dedicated operating room (or suite), and generally requiring a post-operative recovery room or short-term convalescent room. ASC covered procedures are listed in the annual ASC billing manual.



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### SURGICAL PROCEDURES

Limited to those that are not expected to exceed a total of 4 hours recovery or convalescent time.

If the surgical procedures require anesthesia, the anesthesia must be:

1. Local or regional anesthesia; or
2. General anesthesia.

### DENTAL PROCEDURES

Clients who are less than 21 years of age and qualifying adult clients may receive covered dental services in an ASC when those services cannot be delivered safely and effectively in a private office.

### Non-Covered Services and General Limitations

- Procedures that pose a significant safety risk to clients or are expected to require active medical monitoring at midnight of the day on which the surgical procedure is performed (overnight stay) when furnished in an ASC.
- Procedures that are not listed in the annual ASC billing manual.

### Prior Authorization Requirements

The physician performing the surgery shall be responsible for obtaining all necessary Prior Authorizations for those procedures requiring pre-procedure approval by the Department.

### Billing Guidelines

Please refer to the Colorado Ambulatory Surgical Center Billing Manual for specific billing instructions.



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### Definitions

Term	Definition
Ambulatory Surgery Center (ASC)	An entity that operates exclusively for the purpose of furnishing outpatient surgical services, which do not require hospitalization. An ASC may be independent or part of a hospital, but only if the building space used by the ASC is physically, administratively and financially independent and distinct from other operations of the hospital.
Inpatient Hospital Service	Items and services ordinarily furnished by the hospital for the care and treatment of inpatients. These must be provided under the direction of either a physician with privileges or a dentist in an institution maintained primarily for treatment and care of patients with disorders other than mental disease.

### References

Colorado Department of Health Care Policy and Financing - Provider Bulletin: Billing Update for Ambulatory Surgical Centers. January 2010.

Colorado Specialty Billing Manual CO-1500

North Carolina DMA Provider Manual: Hospital Services. Effective 13 April 2010

Washington Department of Social and Health Services: Ambulatory Surgical Centers Billing Instructions. Effective 9 May 2010.

Centers for Medicare and Medicaid Services 1504-P: Proposed Changes to the Ambulatory Surgical Center Payment System and CY 2011 Payment Rates. Published 3 August 2010.

Medicaid Director Signature

Date